

ATTACHEMENT 4

**EXAMPLES OF RECENT DISTRICT COURT HIGH FRAUD-LOSS CASES
IN WHICH BELOW-GUIDELINES SENTENCES WERE IMPOSED**

Office of the Federal Public Defender
September 30, 2014

Case	Conviction	Loss Amount	Guideline Range	Sentence
Eastern District of Virginia Cases				
<i>Arshad, Pervaitz</i> (E.D. Va. 2010, 1:10CCR419) District Judge T. S. Ellis, III	Pled guilty to (1) conspiracy to commit mail and wire fraud and (2) forgery or false use of a passport in obtaining home mortgage loans.	\$1,684,700 (9 victims)	70-87 months	48 months imprisonment, 3 years supervised release with special conditions \$1,684,700 restitution, joint and several
<i>Contreras, Cecilia</i> (E.D. Va. 2010, 1:10CCR296) District Judge Leonie M. Brinkema	Pled guilty to conspiracy to commit wire fraud and aggravated identity theft.	In excess of \$1 million	51-63 months (Government also included 24 months for the identity theft conviction for a total range of 75-87 months; Government asked for a 33% reduction amounting to a range of 50-57 months pursuant to 5K1.1 motion)	24 months imprisonment each count to run concurrently w/ credit for time served, supervised relief for 2 years, \$1.025 million restitution, joint and several with co-defendant Mark Simmons

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<i>Deuterman, Cari</i> (E.D. Va. 2010, 1:10CR246) District Judge James C. Cacheris	Pled guilty to conspiracy to commit bank fraud through loan applications and mail fraud.	Nearly \$2 million for total conspiracy (7 victims)	33-41 months	24 months imprisonment, supervised release with special conditions for 3 years, \$1.958 million restitution
<i>Farhood, Mark</i> (E.D. Va. 2013, 1:13CR96) District Judge Anthony J. Trenka	Pled guilty to conspiracy to commit mail, wire, and bank fraud by delaying foreclosure of mortgages on properties while collecting rent on the same properties. Also obstructed justice post-plea, including attempting to dispose of and conceal assets subject to forfeiture and asking others to assist.	More than \$4 million with hundreds of victims (renters, lenders nationwide, and 400 homeowners)	324-360 months (Offense Level 41 at CHC I). Govt recommended sentence between 15 and 20 years.	132 months imprisonment, with credit for time served, supervised release with special conditions for 3 years, \$2.8 million restitution, joint and several
<i>Ferrufino, Fidelino</i> (E.D. Va. 2010, 1:09CR430) District Judge Anthony J. Trenka	Convicted after trial of conspiracy to commit bank and wire fraud with bank mortgages.	>\$9 million for total conspiracy; in excess of \$3 million for Defendant's conduct (approx. 25 victims and numerous financial institutions)	121-151 months; Government recommended 97 months	34 months imprisonment, supervised release with special conditions for 3 years, \$4.1 million restitution, joint and several
<i>Fleming-McClatchey, Annette</i> (E.D. Va. 2008, 1:08CR138)	Pled guilty to health care fraud involving Medicaid.	\$6.4 million	51-63 months	40 months imprisonment, supervised release with special conditions for 3

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District Judge T.S. Ellis, III				years, \$3.7 million restitution
<i>Gezachew, Sissaye</i> (E.D. Va. 2010, 1:10CR199) District Judge Leonie M. Brinkema	Pled guilty to conspiracy to commit bank fraud of United Bank.	In excess of \$18 million (1 financial institution)	78-97 months	30 months imprisonment, supervised release for 3 years, \$18,051,008 restitution, special assessment of \$100
<i>Hernandez, Aaron</i> (E.D. Va. 2010, 1:10CR175) District Judge Claude M. Hilton	Pled guilty to conspiracy to commit bank fraud and mail fraud through falsified loan applications.	In excess of \$4.5 million (at least 8 financial institutions)	70-87 months	63 months imprisonment, 4 years supervised release, \$4.5 million restitution
<i>Mallory, Lloyd</i> (E.D. Va. 2010, 1:09CR228) District Judge T.S. Ellis, III	Convicted of mail fraud and conspiracy to commit wire and mail fraud.	In excess of \$2.7 million (11 loans)	70-87 months	60 months imprisonment with credit for time served as to each count (concurrently), 3 years supervised release with special conditions, \$2,797,855 restitution
<i>Marcardo, Osvaldo</i> (E.D. Va. 2011, 1:11CR482) District Judge T.S. Ellis, III	Pled guilty to conspiracy to commit bank fraud by creating fraudulent tax letters used to support fraudulent mortgage applications.	\$2.4 million (9 victims)	51-63 months	24 months imprisonment, 3 years of supervised release with special conditions, \$2,387,943 restitution

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<i>Milan, Michael</i> (E.D. Va. 2010, 1:09CR228) District Judge T.S. Ellis, III	Pled guilty to conspiracy to commit wire fraud and mail fraud in residential real estate transactions by falsifying information in mortgage applications.	Greater than \$2,500,000 but less than \$7,000,000.	121-151 months	108 months imprisonment with credit for time served, supervised release for 3 years with special conditions, \$3.1 million restitution, joint and several
<i>Offill, Jr., Phillip</i> (E.D. Va. 2010, 1:09CR134) District Judge Liam O'Grady	Securities Attorney; aided in conducting "pump and dump" stock fraud schemes. Convicted at trial of conspiracy to commit securities registration violations, securities fraud, and nine substantive counts of wire fraud.	\$2.1 million (more than 250 victims)	168-210 months	60 months imprisonment for ct. 1 and 96 months imprisonment for ct. 2-10 to run concurrently, 3 years of supervised release with special conditions \$30,111 restitution
<i>Pinkett, Preston</i> CEO/President, International Fiduciary Corp. (E.D. Va. 2009, 1:08CR437) District Judge Liam O'Grady	Pled guilty to conspiracy to commit bank fraud by operating Ponzi scheme with is "Asset Growth Program."	\$40.2 million in total fraudulent payments; \$5.4 million in fraudulent payments to Defendant (180 investors that were victims)	97-121 months; Government recommended 68-85 months, including 5K1.1 motion.	36 months imprisonment, 3 years of supervised release with special conditions, \$18.7 million restitution

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<i>Rojas, Ruben</i> (E.D. Va. 2010, 1:09CR430) District Judge Gerald Bruce Lee	Pled guilty to conspiracy to commit bank and wire fraud by securing fraudulent loans for "straw buyers."	In excess of \$9 million for total conspiracy (>30 fraudulent transactions)	87-108 months (reduced from 97-121 after criminal history reduced to I); Government recommended 87 months	60 months imprisonment, 5 years of supervised release, \$9.2 million restitution, joint and several
<i>Rogue, Ailyn</i> (E.D. Va. 2013, 1:13CR132) District Judge T.S. Ellis, III	Pled guilty to wire fraud in connection with a fake business involving the purchase and resale of sporting events tickets.	Nearly \$800,000 (more than 20 victims)	33-41 months	30 months imprisonment, 3 years of supervised release with special conditions, \$660,286 in restitution
<i>Rowland, Linda</i> (E.D. Va. 2011, 2:10CR132) District Judge Mark S. Davis	Pled guilty to wire fraud and two counts of aggravated identity theft.	\$1.5 million (At least 34 individuals)	75-87 months (51-63 months for the wire fraud conviction and a mandatory minimum sentence of 24 months for the identity theft conviction, Government recommended them to run concurrently)	68 months imprisonment, \$1.2 million restitution
<i>Sadr, Linda</i> (E.D. Va. 2011, 1:10CR437) District Judge Liam O'Grady	Pled guilty to two counts of mail fraud, four counts of wire fraud, and two counts of money laundering involving a "mortgage elimination program."	More than \$11 million (155 victims)	168-210 months (Offense Level 35 at CHC I)	144 months imprisonment and 120 months to run concurrently with credit for time served, 3 years of supervised release with special conditions, \$9.6 million restitution
<i>Shaffer, Kevin</i> President/Co-owner,	Pled guilty to bank fraud, tax evasion, and willful failure to collect, account	\$3.5 million	70-87 months; 57-71 months pursuant to plea agreement;	51 months imprisonment, \$3.5

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Matrix-DSS, Inc. (E.D. Va. 2011, 1:10CR111) District Judge Gerald Bruce Lee	for, pay over employment taxes.		Government recommended 66 months	million restitution
<i>Simmons, Mark</i> (E.D. Va. 2010, 1:10CR296) District Judge Leonie M. Brinkema	Operated foreclosure rescue scheme through RETE Funding, LLC. Pled guilty to conspiracy to commit wire fraud and aggravated identity theft.	In excess of \$1 million	124-149 months	72 months imprisonment, \$1.025 million restitution – paid jointly and severally with co- defendant Cecilia Contreras
<i>Siveroni, Javier</i> (E.D. Va. 2011, 1:11CR155) District Judge Liam O'Grady	Pled guilty to conspiracy to commit wire and mail fraud through fraudulent loan applications	At least 15 different properties and victims suffered more than \$2.5 million	78-97 months	24 months imprisonment, 2 years of supervised release, \$2.6 million in restitution, jointly and severally with co- defendants
<i>Tonkinson, Christopher</i> (E.D. Va. 2010, 1:10CR361) District Judge Claude M. Hilton	Pled guilty to conspiracy to commit bank fraud and mail fraud.	Nearly \$2 million for total conspiracy	30-37 months	24 months imprisonment, \$629,400 restitution
<i>Tribby, Linda</i> (E.D. Va. 2011, 1:11CR106) District Judge Liam O'Grady	Pled guilty to bank fraud.	Over \$14.1 million (1 financial institution)	97-121 months	84 months imprisonment, in excess of \$8.4 million restitution

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Other District Court Cases				
<i>Adelson, Richard</i> CEO & President, Impath (S.D.N.Y. 2006, 1:05CR325)	Convicted at trial of conspiracy, securities fraud, and filing false reports with SEC.	\$50-\$100 million	Guidelines called for life imprisonment; however, statutory maximum was 85 years	42 months imprisonment, \$50 million restitution
<i>Arge, Carole</i> CFO, SafeNet, Inc. (S.D.N.Y. 2008, 1:07CR683)	Pled guilty to securities fraud.	\$1-2.5 million (stipulated loss amount)	97-121 months	6 months imprisonment
<i>Cole, Robert</i> Sales Rep., Diebold (N.D. Ohio 2008, 5:08CR327)	Pled guilty to securities fraud.	\$509,000	30-37 months	12 months and 1 day imprisonment
<i>Correll, Travis</i> (N.D. Ga. 2008, 1:07CR365)	Pled guilty to wire fraud (related to Ponzi scheme).	\$29 million (ordered in restitution)	188-235 months	108 months imprisonment, \$29 million restitution. (Mr. Correll was initially sentenced to 144 months. He later received a further reduction, under Rule 35, based on his cooperation.)
<i>Ferguson, Ronald</i> CEO, General Reinsurance Corp. (D. Conn. 2008, 3:06CR137)	Convicted at trial of conspiracy, securities fraud, false statements to SEC, and mail fraud.	\$544 million	Life imprisonment	24 months imprisonment

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<i>Jacobowitz, Jacob</i> Executive VP, Allou Healthcare (E.D.N.Y. 2007, 1:04CR558)	Pled guilty to making false statements in reports to the SEC.	\$30 million	168-210 months, however, statutory maximum was 120 months.	84 months imprisonment, \$30 million restitution
<i>Kohler, Raquel</i> CFO, Mutual Benefit Corp. (S.D. Fla. 2007, 1:07CR20446)	Pled guilty to conspiracy to commit securities fraud.	\$471 million	324-405 months, but statutory maximum was 120 months.	60 months imprisonment, \$471 million restitution
<i>Ledee, William</i> (N.D. Ga. 2007, 1:05CR015)	Founder of fictitious insurance company. Pled guilty to making false financial statements, engaging in business of insurance as a convicted felon, mail fraud, conspiracy to commit money laundering, etc.	\$21.6 million	The PSR reported a total offense level of 51 and criminal history category II, resulting in a guideline range of LIFE	70 months imprisonment, \$21.6 million restitution. (Judge varied below agreement's sentence cap of 7.5 years.)
<i>Milton, Christian</i> AIG, Vice President (D. Conn. 2009, 3:06CR137)	Convicted of various counts of fraud.		Life imprisonment	48 months imprisonment
<i>Olis, Jamie</i> Tax Lawyer, Dynegy (S.D. Tex. 2006, 4:03CR217)	Convicted at trial of: (1) conspiracy to commit securities fraud, mail fraud, wire fraud, (2) securities fraud, (3) mail fraud, and (4) wire fraud.	\$79 million	151-181 months	72 months imprisonment (originally sentenced to 292 months (within the original guideline range of 292-365 months); sentence remanded from the Fifth Circuit Court of Appeals and

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<i>Paris, Lennox</i> Director, Queench, Inc. (E.D.N.Y. 2008, 1:05CR636)	Convicted at trial of conspiracy to commit securities fraud, securities fraud, conspiracy to commit witness tampering, and witness tampering.	Between \$2.5 and \$7 million	360 months to life	60 months imprisonment sentence reduced by District Court Judge based on <i>Booker</i> and after considering the sentencing guidelines and policy statements)
<i>Paris, Lester</i> Director, Queench, Inc. (E.D.N.Y. 2008, 1:05CR636)	Convicted at trial of conspiracy to commit securities fraud, securities fraud, conspiracy to commit witness tampering, and witness tampering.	Between \$2.5 and \$4.9 million	360 months to life	60 months imprisonment
<i>Richards, Stephen</i> Sr. Vice President, Computer Associates (E.D.N.Y. 2006, 1:04CR846)	Pled guilty to conspiracy to commit securities fraud and wire fraud, securities fraud, false statements to SEC, conspiracy to obstruct justice, obstruction of justice, and perjury.	\$2.2 billion (according to Government's sentencing memorandum)	Life imprisonment under 2005 guidelines; 151-188 months under 1998 guidelines (unclear how District Court resolved dispute over which version should apply)	84 months imprisonment
<i>Turkcan, Mark</i> President, First Bank Mortgage (E.D. Mo. 2009, 4:08CR428)	Pled guilty to misapplication of bank money.	\$35 million	63-78 months provided by the Government; 97-121 months provided by the Probation Office	12 months & 1 day imprisonment, \$24.6 million restitution
<i>Whittier, John</i> Manager, Wood River Partners (S.D.N.Y. 2007,	Pled guilty to securities fraud, failure to disclose ownership in excess of 5% of publicly traded security, and failure to disclose ownership in excess of 10%	\$88 million (ordered in restitution)	188-235 months	36 months imprisonment, \$88 million restitution

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1:07CR087	of publicly traded security.			